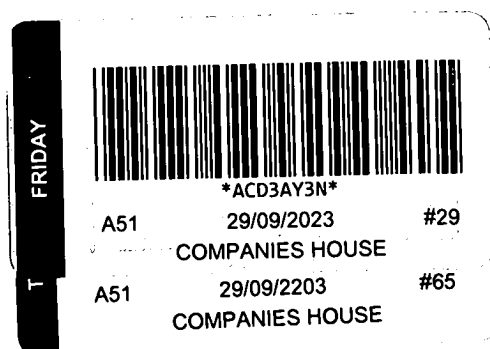




GUSTO RESTAURANTS UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 SEPTEMBER 2022



GUSTO RESTAURANTS UK LIMITED

COMPANY INFORMATION

Directors	M A Snell J K Roberts S Grimbleby P J Dearden
Registered number	08722603
Registered office	81 King Street Knutsford Cheshire WA16 6DX
Independent auditors	Grant Thornton UK LLP Chartered Accountants and Statutory Auditor 11 Floor, Landmark St Peters Square 1 Oxford Street Manchester M1 4PB
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Solicitors	Pinsent Masons LLP 3 Colmore Circus Birmingham B4 6BH

GUSTO RESTAURANTS UK LIMITED

CONTENTS

	Page
Strategic Report	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 8
Statement of Income and Retained Earnings	9
Statement of Financial Position	10
Notes to the Financial Statements	11 - 16

GUSTO RESTAURANTS UK LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

Business review and future developments

The Company is an intermediate investment holding company for Gusto Restaurants Limited and is expected to remain so in the future.

Principal risks and uncertainties

The management of the business and execution of the group's strategy, of which the Company forms a part, are subject to a number of risks, principally relating to market competition both from a national and international perspective. Business risks are reviewed regularly by the directors of the group and appropriate processes are put in place to monitor and mitigate their impact.

Key Performance Indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board and signed on its behalf.

P J Dearden

P J Dearden
Director
Date: 28/9/2023

GUSTO RESTAURANTS UK LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 25 SEPTEMBER 2022

The directors present their report and the financial statements for the period ended 25 September 2022.

Results and dividends

The profit for the period, after taxation, amounted to £Nil (2021: £11,000).

Directors

The directors who served during the period and up to the date the financial statements are signed were:

M A Snell
J K Roberts
S Grimbleby (appointed 11 July 2022)
F Bandura (resigned 3 May 2023)
T Selby (resigned 30 March 2022)
P J Dearden (appointed 30 May 2023)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Qualifying third party indemnity provisions

Insurance policies are in place that indemnify the directors for liability when acting for Gusto Restaurants UK Limited.

Disclosure of Information in the Strategic Report

The Company has chosen to disclose information regarding the future development opportunities for the Company in the Strategic Report rather than the Directors' Report.

GUSTO RESTAURANTS UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

Disclosure of information to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28/9/2023 and signed on its behalf.



P J Dearden
Director



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUSTO RESTAURANTS UK LIMITED

Opinion

We have audited the financial statements of Gusto Restaurants UK Limited (the 'Company') for the period from 27 September 2021 to 25 September 2022, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 25 September 2022 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUSTO RESTAURANTS UK LIMITED
(CONTINUED)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUSTO RESTAURANTS UK LIMITED
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUSTO RESTAURANTS UK LIMITED
(CONTINUED)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company, and the industry in which it operates, and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements relating to Health and Safety and Food Safety.
- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management, and those charged with governance of the entity. We corroborated our enquiries through our review of board minutes and correspondence received from regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - evaluation of the processes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client operates in and understanding of, and practical experience through training and participation with audit engagements of a similar nature; and
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GUSTO RESTAURANTS UK LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Paul Bamber MA FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
Date: 28/9/2023

GUSTO RESTAURANTS UK LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

	Note	2022 £000	2021 £000
Operating result	4	-	-
Result before tax		-	-
Tax on profit	5	-	11
Result/profit after tax		-	11
Retained earnings at the beginning of the period		1,597	1,586
Result/profit for the period		-	11
Retained earnings at the end of the period		1,597	1,597

There were no recognised gains and losses for 2022 or 2021 other than those included in the Statement of Income and Retained Earnings.

The notes on pages 11 to 16 form part of these financial statements.

GUSTO RESTAURANTS UK LIMITED
REGISTERED NUMBER:08722603

STATEMENT OF FINANCIAL POSITION
AS AT 25 SEPTEMBER 2022

		25 September 2022 £000	26 September 2021 £000
	Note		
Fixed assets			
Investments	6	9,164	9,164
		<u>9,164</u>	<u>9,164</u>
Total assets less current liabilities		<u>9,164</u>	<u>9,164</u>
		<u>9,164</u>	<u>9,164</u>
Net assets		<u>9,164</u>	<u>9,164</u>
Capital and reserves			
Called up share capital	7	483	483
Capital redemption reserve	8	7,084	7,084
Profit and loss account	8	1,597	1,597
		<u>9,164</u>	<u>9,164</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28/9/2023

P J Dearden

P J Dearden
 Director

The notes on pages 11 to 16 form part of these financial statements.

GUSTO RESTAURANTS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 SEPTEMBER 2022

1. General information

Gusto Restaurants UK Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is 81 King Street, Knutsford, England, WA16 6DX.

The principal activity of the Company during the previous years were the management activities of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£).

Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

The individual financial statements of Gusto Restaurants UK Limited have also adopted the disclosure exemption in the requirement to present a statement of cash flows and related notes on the basis that they are consolidated within Gusto Restaurants Group Limited, which are available from Companies House.

The accounts are for the period from 27 September 2021 to 25 September 2022. The comparative period was from the 28 September 2020 to 26 September 2021.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have prepared the accounts on a going concern basis, the entity is the immediate holding company of Gusto Restaurants Limited, the trading subsidiary. The directors have reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future.

2.3 Investments

Investments in subsidiaries are measured at cost less any accumulated impairment.

GUSTO RESTAURANTS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

2. Accounting policies (continued)

2.4 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

GUSTO RESTAURANTS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

At each reporting date the carrying value of investments is reviewed for indicators of impairment. If there are indicators of impairment management will perform an impairment review. This requires an estimate of the 'recoverable amount' - the higher of 'value in use' and fair value less costs to sell - of the cash generating unit. Estimating the value in use requires the directors to make an estimate of the expected future cash flows and choose a suitable discount rate to calculate the present value of those cash flows. The actual cash flows may differ from the directors' estimates.

4. Operating result

During the year, no director received any emoluments (2021: £Nil). Auditors' remuneration was incurred by Gusto Restaurants Limited on behalf of Gusto Restaurants UK Limited of £1,000 (2021: £1,000).

GUSTO RESTAURANTS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

5. Taxation

	2022 £000	2021 £000
Corporation tax		
Current tax adjustments in respect of prior periods	-	(11)
Deferred tax		
Total deferred tax	-	-
Taxation on result on ordinary activities	-	(11)

Factors affecting tax charge for the period

The tax assessed for the period is the same as (2021: *lower than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £000	2021 £000
Effects of:		
Adjustments in respect of previous periods	-	(11)
Total tax charge for the period	-	(11)

Factors that may affect future tax charges

Increase in the UK Corporation tax rate from 19% to 25% (effective from 1 April 2023) has been substantively enacted. This will impact the Company's future tax charge accordingly.

6. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 27 September 2021	9,164
At 25 September 2022	9,164

GUSTO RESTAURANTS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

6. Fixed asset investments (continued)**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Gusto Restaurants Limited	Restaurateurs	Ordinary	100%

The registered address of Gusto Restaurants Limited is 81 King Street, Knutsford, England, WA16 6DX.

7. Share capital

	25 September 2022 £000	26 September 2021 £000
Allotted, called up and fully paid		
482,981 (2021: 482,981) Ordinary shares of £1.00 each	483	483

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

8. Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - the profit and loss account includes all current and prior period retained losses.

Capital contribution reserve - this represents capital contribution from management.

9. Contingent liabilities

The Company has given a guarantee in respect of the leasehold property in Albert Dock, Liverpool. The guarantee is secured by a fixed and floating charge on the Company's properties and undertakings, and a negative pledge. The charge is held with Ensco Finco LLP, Santander UK PLC, Palatine Private Equity LLP and Beechbrook Mezzanine II Jersey Limited (Security Agent).

As at 25 September 2022 and 26 September 2021, the directors have confirmed that the Company had no other contingent liabilities.

GUSTO RESTAURANTS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 SEPTEMBER 2022**

10. Capital commitments

As at 25 September 2022 and 26 September 2021, the directors have confirmed that the Company had no capital commitments.

11. Related party transactions

The Company has taken advantage of the exemption in FRS 102 (section 33) "Related Party Disclosure" and has not disclosed transactions with group undertakings where the Company is a 100% subsidiary.

12. Controlling party

The immediate parent undertaking of the Company is Gusto Restaurants Group Limited.

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Gusto Restaurants Group Limited, whose registered address is 81 King Street, Knutsford, England, WA16 6DX. Copies of the group financial statements can be obtained from Companies House.

The ultimate controlling party is Palatine Private Equity LLP.